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Security Council Committee established pursuant to resolution 1267 (1999) concerning Al-Qaida and the Taliban and associated individuals and entities

Note verbale dated 6 October 2003 from the Permanent Mission of the Republic of Moldova to the United Nations addressed to the Chairman of the Committee

The Permanent Mission of the Republic of Moldova to the United Nations presents its compliments to the Chairman of the Security Council Committee established pursuant to resolution 1267 (1999) concerning Al-Qaida and the Taliban and Associated Individuals and Entities and, with reference to the note verbale dated 7 July 2002 from the Chairman of the Committee, has the honour to submit herewith the report of the Republic of Moldova pursuant to paragraph 6 of Security Council resolution 1455 (2003) of 17 January 2003 (see annex).

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Annex to the note verbale dated 6 October 2003 from the Permanent Mission of the Republic of Moldova to the United Nations addressed to the Chairman of the Committee

Report of the Republic of Moldova on the implementation of Security Council resolution 1455 (2003)

I. Introduction

1. Please provide a description of activities, if any, by Usama Bin Laden, Al-Qaida, the Taliban and their associates in your country, the threat they pose to the country and the region, as well as likely trends.

Until now, there have not been noticed activities undertaken by Usama bin Laden, terrorist groups Al-Qaida, Taliban on the territory of Moldova.

II. Consolidated List

2. How has the 1267 Committee's List been incorporated within your legal system and your administrative structure, including financial supervision, police, immigration control, customs and consular authorities?

Information and Security Service uses the Committee List in the process of organizing operative actions of tracking down of the people that are involved in terrorist activities on the country's territory. The Ministry of Interior has introduced the List in the database of physical persons and legal entities suspected of practicing terrorism activities.

3. Have you encountered any problems with implementation with regard to the names and identifying information as currently included in the List? If so, please describe these problems.

No major problems have been encountered with the implementation of the Consolidated List. However, due to the lack of identification information on some persons included in the List (e.g. birth date, birth place, nationality, passport numbers etc), it has been difficult to trace certain persons. For example, some names from the List were impossible to introduce in the electronic database "Passenger" of the Department of Border Troops.

4. Have your authorities identified inside your territory any designated individuals or entities?

So far, the Moldovan authorities have not identified any person or entity, either on the Moldovan territory, or upon the entrance in the country, from those included in the Consolidated List established and updated by the 1267 Committee of the United Nations.

5. Please submit to the Committee, to the extent possible, the names of individuals or entities associated with Usama Bin Laden or members of the Taliban or Al-Qaida that have not been included in the List, unless to do so would compromise investigations or enforcement actions.

Except for those included in the List, there are not other names of individuals or entities that might be associated with Usama Bin Laden, or members of the Taliban or Al-Qaida.

6. Have any listed individuals or entities brought a lawsuit or engaged in legal proceedings against your authorities for inclusion in the List? Please specify and elaborate, as appropriate.

Since we have not identified any individual or entity included in the List within our national territory, this paragraph cannot be subject of an answer.

7. Have you identified any of the listed individuals as nationals or residents of your country? Do your authorities have any relevant information about them not already included in the List? If so, please provide this information to the Committee as well as similar information on listed entities, as available.

Since we have not identified any individual or entity included in the List within our national territory, this paragraph cannot be subject of an answer.

8. According to your national legislation, if any, please describe any measures you have taken to prevent entities and individuals from recruiting or supporting Al-Qaida members in carrying out activities inside your country, and to prevent individuals from participating in Al-Qaida training camps established in your territory or in another country.

On October 12th, 2001 the Parliament of the Republic of Moldova adopted the law #539-XV "On combating terrorism", which determined the legal and organizational framework of the activity to combat terrorism in the Republic of Moldova, the way of coordination of the activity of specialized structures for combating terrorism, the actions undertaken by central and local public authorities, by public associations and organizations, by persons holding responsible positions, as well as rights, responsibilities and guarantees of persons in connection with unfolding of actions to fight the terrorism.

On the territory of Republic of Moldova recruiting, arming, instructing and using terrorists, financing of a terrorist organization or a terrorist group as well as lending assistance to them through other ways are forbidden according to the mentioned law.

The Moldovan special services activities, aimed at monitoring the actions carried out by Islamic communities, residing in Moldova, did not reveal the existence of Al-Qaida training camps in our country or the intention to establish such camps there.

There have not been identified any possible activities of Al-Qaida members aimed at recruiting new members or at supporting the specific activities of the group, on the territory of Moldova.

III. Financial and Economic Assets Freeze

9. Please describe briefly:

- **the domestic legal basis to implement the asset freeze required by the resolutions above;**
- **any impediments under your domestic law in this context and steps taken to address them.**

The Republic of Moldova's legal framework of suspension of the financial operations made in the interest of terrorist organizations is based on:

- Article 279 "the activity of financing and material insurance of terrorist actions" of the Penal Code of the Republic of Moldova #985-XV from April 18th 2002;
- Article 8-1 "Suspension of financial operations on the indication of the authorities engaged in preliminary investigations" of the Law # 539-XV from October 12th 2001 on combating terrorism, according to which the organizations that carry out financial operations are obliged, at the indication of the criminal prosecution institutions, to block financial means, assets and other economic resources of individuals involved in the committing or attempt to commit terrorist acts or in favoring such actions; of legal entities dependent or controlled directly by such people; of physical persons or legal entities that act on behalf or at the indication of such people, including derived means or generated by the property that belong to them or that is controlled, directly or not, by the listed persons, as well as by their associations.
- Article 203 from the Code on Criminal Procedure of the Republic of Moldova #122-XV, March 14th 2003, according to which the distain upon material values, including bank accounts and warehouses, is applied to ensure the prejudices reparation caused by infraction, civil action or an eventual seizure of the goods meant to the committed crime, used for this purpose or consequences after the crime.
- Law No. 633-XV of 15.11.2001 on preventing and combating money laundering.

10. Please describe any structures or mechanisms in place within your Government to identify and investigate Usama bin Laden, Al-Qaida or Taliban-related financial networks, or those who provide support to them or individuals, groups, undertakings and entities associated with them within

your jurisdiction. Please indicate, as appropriate, how your efforts are coordinated nationally, regionally and/or internationally.

According to Article 6 from the Law #539-XV, October 12th 2001 "On combating terrorism", the Government is the main authority responsible for the organization of the activity to fight terrorism and to ensure that the relevant institutions have the necessary forces, means and resources to counter terrorism. The coordination of the activity of authorities involved in the fight against terrorism is accomplished by the Supreme Security Council of the Republic of Moldova.

The authorities that directly are involved in the activity of fighting terrorism, in the limits of their mandates are:

a) General Magistrate
b) The Service of Security and Information of Republic of Moldova
c) The Ministry of Foreign Affairs
d) The Ministry of Defense
e) The Department of Border Troops
f) The Department for exceptional situations
g) The Service of Protection and State Guard
h) Custom Department
i) The Department for Informational Technologies.

Specialized institutions for fighting terrorism have been established within the structures of the Information and Security Service of the Republic of Moldova, Ministry of Internal Affairs, the Protection and State Guard Service, the Department of Penitentiaries of the Ministry of Justice.

The Republic of Moldova, according to international treaties to which it is a member, it cooperates in the sphere of fighting terrorism with law institutions and other countries' special services, as well as international organizations that work in this domain.

For the interest of ensuring security for persons, society and state, the Republic of Moldova prosecutes on its territory people involved in terrorist actions, including the cases when terrorist acts were planned or carried out outside its territory but did not cause prejudices to the country or in other cases stipulated in the international organizations to which the Republic of Moldova is a member.

11. Please convey the steps banks and/or other financial institutions are required to take to locate and identify assets attributable to, or for the benefit of, Usama bin Laden or members of Al-Qaida or the Taliban, or associated entities or individuals. Please describe any "due diligence" or "know your customer" requirements. Please indicate how these requirements are enforced, including the names and activities of agencies responsible for oversight.

By the year 2002, the National Bank of Moldova developed and issued Recommendations on money laundering prevention and programs to fight money

laudering by the banks of the Republic of Moldova (Decision No 94 of the Administrative Council of the National Bank of Moldova of April 25, 2002), an extraction of which containing "know your customer" rules follows:

6. "Know-your-customer" Rules

"Know-your-customer" rules should include, at least:

6.1. Customer Acceptance Policies

The financial institutions should develop clear customer acceptance policies and procedures, including a description of the types of customers that are likely to pose a higher risk to the institution. When preparing these policies, factors such as customers' background, country of origin, public position, linked accounts, business activities or other risk indicators should be considered on higher risk customers. Customer acceptance procedures should include more stages depending on the level of customer risk, at the same time emphasizing customers with a high net worth whose source of funds is unclear. Decisions to enter into business relationships with higher risk customers should be taken exclusively at the management level. It is important that the customer acceptance process does not affect general public's access to financial institution's services.

6.2. Customer identification policies

The financial institutions should have a systematic identification policy and procedure for new customers and for those acting on their behalf, and should not establish a banking relationship until the identity of the new customer is verified. All information necessary for adequate identification of each new customer, including purpose, nature of the business relationship, should be obtained. Special attention should be paid in the case of non-resident customers, as well as customers or beneficiaries receiving funds from abroad, at the same time taking into account the provisions of art. 4 (4) of the Law on money laundering prevention and combat.

Customer identification elements include:

- the person or entity that maintains an account in the financial institution, or those on whose behalf an account is maintained (owners - beneficiaries, etc.);
- the beneficiaries of transactions conducted by professional intermediaries;
- any person or entity connected with a financial transaction that can pose a significant reputational or other risk.

For customer identification the financial institution shall pay attention to the specific identifying subjects:

- trust, nominee and fiduciary accounts;
- corporate vehicles;
- introduced business;

- client accounts opened by professional intermediaries;
- politically exposed persons;
- non-face-to-face customers;
- correspondent banking operations.

6.3. Procedures on on-going monitoring of accounts and transactions that include:

- determining normal (specific) customer's operations;
- monitoring customer's operations to determine if such operations correspond to normal (specific) operations of the certain customer or customers from similar categories;
- having in place adequate management information systems to provide management and compliance officers with information needed to identify, analyze and effectively monitor higher risk customer accounts;
- identifying by the financial institution of limited and suspicious operations, including potential ones, as well as of sources of funds used by the customer for such operations.

When an account was opened, but verification problems appear within financial relations that cannot be solved, it is recommended that the financial institution informs the body enabled by law in the field of money laundering prevention and combat. Financial institutions should not maintain anonym accounts or fictive name accounts.

6.4. Information maintaining and keeping procedures should include, at least, the following:

- maintenance of an identified customer registry for a period of at least five years (that would include at least: customer's name; fiscal code; account's number; opening date; closing date);
- maintenance of all entries on financial transactions for at least five years after the transaction occurred;
- maintenance of files on customer identification for at least five years after their accounts were closed;
- specific identification of data to be kept in the file on customer identification and by each transaction.

7. The system for ensuring compliance with the program on money laundering prevention and combat

In order to ensure that financial institutions comply with the program on money laundering prevention and combat, this should include:

7.1. Special provisions for an internal control system aimed to ensure continuous compliance in view of reduction of risks related to money laundering. Such provisions, in addition to those stipulated in the Recommendations on internal control systems of the banks of the Republic of Moldova, should include, without being limited to, the following:

- procedures for detection of limited and suspect operations;
- customer monitoring in case of large cash transactions nonspecific to the customer's activity. To this end, the bank makes investigations about customer affiliation to the group subject to monitoring;
- monitoring of activities related to bank accounts;
- internal procedures regarding suspicious transactions reporting.

7.2. An audit service to test the compliance with the program on money laundering prevention and combat, carried out by the financial institution's personnel or an individual, whose functions shall include at least the following:

- independent evaluation of internal policies and procedures of the bank, including the compliance with the requirements of the legislation in force;
- personnel's activity monitoring through compliance testing.

12. Resolution 1455 (2003) calls on Member States to provide "a comprehensive summary of frozen assets of listed individuals and entities." Please provide a list of the assets that have been frozen in accordance with this resolution. This list should also include assets frozen pursuant to resolutions 1267 (1999), 1333 (2000) and 1390 (2001). Please include, to the extent possible, in each listing the following information:

- **identification(s) of the person or entities whose assets have been frozen;**
- **a description of the nature of the assets frozen (i.e., bank deposits, securities, business assets, precious commodities, works of art, real estate property, and other assets);**
- **the value of assets frozen.**

Until today no financial assets or economic resources of the individuals, groups and entities referred to in the list created pursuant to resolutions 1267 (1999), 1333 (2000), 1390 (2002) and 1455 (2003) have been found in Moldova.

13. Please indicate whether you have released pursuant to resolution 1452 (2002) any funds, financial assets or economic assets that had previously been frozen as being related to Usama Bin Laden or members of the Al-Qaida or the Taliban or associated individuals or entities. If so, please provide reasons, amounts unfrozen or released and dates.

Until today no financial assets or economic resources of the individuals, groups and entities referred to in the list created pursuant to resolutions 1267 (1999), 1333 (2000), 1390 (2002) and 1455 (2003) have been found in Moldova.

14. Pursuant to resolutions 1455 (2003), 1390 (2001), 1333 (2000) and 1267 (1999), States are to ensure that no funds, financial assets or economic resources are made available, directly or indirectly, to Listed individuals or entities or for their benefit, by nationals or by any persons within their territory. Please indicate the domestic legal basis, including a brief description of laws, regulations and/or procedures in place in your country to control the movements of such funds or assets to designated individuals and entities.

See the answer provided in paragraphs 9 and 11.

IV. Travel Ban

15. Please provide an outline of the legislative and/or administrative measures, if any, taken to implement the travel ban.

To prevent the movement of terrorists through border controls, the border defense measures have been increased since September 24, 2001, in accordance with the Decision of the National Supreme Security Council No. 02/5-03-01 on illegal migration and its impact on the national security. The border troops at all sections of the national border (except the Eastern one which is under control of the separatist anti-constitutional Trans-Dniestrian regime) have upgraded their preparedness to increase defenses in cases of emergency. The above-mentioned Decision and the further one with the same subject, No. 02/5-03-03 of October 26, 2001 instructed all relevant governmental institutions and agencies to tighten the immigration control and control on import of goods and services at all border checkpoints.

The Department of Border Troops has installed a computerized network at all border checkpoints, provided with a database of terrorists and persons under international search evidence. The database is regularly updated in co-operation with the National Interpol Office. The Ministry of Foreign Affairs coordinates the issuance of entry visas to Moldova for nationals from probable high-risk regions in co-operation with the Information and Security Service of the Republic of Moldova. Such crimes as counterfeiting, forgery or fraudulent use of identity papers and travel documents are considered a criminal offence in Moldova under the Par. 189 "Forgery of public acts" and Par. 209 "Counterfeiting or fraudulent use of fake documents, stamps, seals and printed forms" of the Criminal Law of the Republic of Moldova.

At present in the Republic of Moldova the legislative framework, which regulates the order of evidence and documentation of stateless and foreign citizens is created. The laws "Regarding the departure and entrance in the Republic of Moldova", "Regarding the judicial statement of the stateless and foreign citizens in

Republic of Moldova", "Regarding the identity cards of the National System of passports", "The law of citizenship in Republic of Moldova" came into force operation.

Simultaneously the Department of Informational Technologies permanently initiates and participates in the improvement of national legislation in the field of migration update and harmonizes the legislation according to the international standards and norms.

In accordance with the Decision of the Government of Republic of Moldova no. 398 from 06 June 2001, the functions regarding the control of the residence system of stateless and foreign citizens remained in the competence of the Ministry of Interior. The information from the central Data Base is offered and used by the Ministry of Interior free of charge.

In order to realize the provisions of the article 7 of the Law on combating terrorism, the Department of Informational Technologies assists the authorities which carrying out the activity of fighting against terrorism with informational resources, offering specialized technical assistance, necessary at setting up the data banks and the informational networks.

Also, the Department of Informational Technologies supplies methodically the information on the registration, evidence and documentation of the stateless and foreign citizens to the Service of Security and Information, to the General Magistracy of Republic of Moldova, to the Service of Protection and State Guard, to the Customs Department, to the Department of Border Troops, to the Department of Statistics and Sociology, to the Central Department for Refugees etc. It has set up the system of information at change regarding migration processes and people's documentation with the Ministry of Foreign Affairs and its consular services, also with the representations of foreign states accredited in Republic of Moldova.

With a view of operatively supply the information to the ministries and departments, the Department elaborated and initiated the realization of some of the complex measures regarding the connection to the Central Data Basis of the Ministry of Foreign Affairs and of the Department of Border Troops. In present days, the access to the information from the Central Data Basis was permitted to the officials of the Moldavian Embassy in Russian Federation and to the crossing point of the frontier of the Chisinau Airport.

Presently the Department of Informational Technologies does not possess the information about the attempts of some persons from the Consolidated List to acquire documentation or identity cards.

In order to assure the exclusion of eventual cases of penetration in the country of nominated persons, the Department of Informational Technologies introduced in its Data Base the information on the persons mentioned in the Consolidated List.

16. Have you included the names of the listed individuals in your national "stop list" or border checkpoint list? Please briefly outline steps taken and any problems encountered.

The names and identification data of the persons from the List have been included in the electronic database of the Department of Border Troops, which can be accessed from every Border Checkpoint. The List is permanently updated and can be accessed 24 hours a day, from every Border Checkpoint, within the electronic system of Border Troops.

17. How often do you transmit the updated List to your border control authorities? Do you possess the capability of searching List data using electronic means at all your entry points?

As soon as the UN Security Council Committee established pursuant to resolution 1267 (1999) updates the List and sends it to the Moldovan authorities, the persons included in the list will be immediately registered in the border checkpoint lists, but only if their identification data are complete (see answer to the p. 3).

18. Have you stopped any of the listed individuals at any of your border points or while transiting your territory? If so, please provide additional information, as appropriate.

To date, Moldovan authorities have identified no terrorist groups or individuals from the List that attempted to enter or transit the country.

19. Please provide an outline of the measures, if any, taken to incorporate the List in the reference database of your Consular offices. Have your visa-issuing authorities identified any visa applicant whose name appears on the List?

The General Department of Consular Affairs of the Moldovan Ministry of Foreign Affairs has incorporated the lists pursuant to Security Council resolutions 1267 (1999), 1333 (2000), 1390 (2001) and 1455 (2003) in its reference database. Until today the Moldovan visa-issuing authorities have not identified any visa applicant whose name appears on the list.

V. Arms Embargo

20. What measures, if any, do you now have in place to prevent the acquisition of conventional arms and weapons of mass destruction (WMD) by Usama bin Laden, members of Al-Qaida organization and the Taliban and other individuals, groups, undertakings and entities associated with them? What kind of export control do you have in place to prevent the above targets from obtaining the items and technology necessary for weapons development and production?

The basis of the state control on manufacture, trade, acquisition, possession, application, import and export of weapons and munitions is established by the Law

on arms No. 110-XIII of 18.05.1994 (completed and modified by the Law No. 563-XV of 19.10.2001). At the same time, the Republic of Moldova is a party to the International Convention on prohibition or limitation of use of certain classic weapons which could be considered as producing excessive traumatic effects or hurting without discrimination (Geneva, 10.10.1980), and to all 4 protocols to the Convention, as well as to the European Convention on the control on the acquisition and possession of firearms by private persons (Strasbourg, 06.11.1978).

Thus, the Law requires a license for all companies that trade in weapons and munitions, acquiring or possessing a firearm in Moldova requires a permit from the police. Permits are issued after a thorough police checks. Private persons could possess only revolvers and pistols for the following reasons: a) for self-defense; b) for hunting; c) for decoration and for collection (panoply).

All military arms are registered in the State Cadastral Survey of Arms, all privately owned arms are registered in the State Register of Arms. The owners of firearms are required to keep their weapons locked. If a weapon is lost or falls into wrong hands, it must be reported to the police. The police may also verify if weapons are being kept under secure conditions in private homes.

Bearing in mind that elimination of the supply of weapons constitutes an integral element of anti-terrorist strategy worldwide, the Supreme Security Council of the Republic of Moldova has instructed the Ministry of Defense to inspect permanently the security of the storage of arms, ammunition, and explosives.

The main elements in the policy of controlling the exports are the responsible institutions and mechanisms involved in the control of these foreign trade operations and the internal licensing procedures. The regime of the strategic materiel imports and exports is supervised by the special Inter-ministerial Commission, guided by explicit regulations on this issue, in accordance with Moldova's international commitments. With the assistance of the Ministry of Foreign Affairs, the Commission is permanently informed about the international sanctions regimes imposed on various countries by the UN Security Council.

Within the licensing procedures, there is a rigorous evaluation of the involved economic internal or external operator's behavior, of the categories of commercialized strategic products (especially those that cannot be used within some programs of nuclear, chemical and biological arming), of the destination country profile, and of the zone they belong to, and in the situation in which some risks are expected, the licenses of authorizations are not granted.

In this sense, the hijacking risks of such materials, equipment and technologies towards terrorist organizations and networks of international organized crime are minimal.

21. What measures, if any, have you adopted to criminalize the violation of the arms embargo directed at Usama bin Laden, members of Al-Qaida organization and the Taliban and other individuals, groups, undertakings and entities associated with them?

Moldovan legislation contains provisions that criminalize support, active or passive, to entities or persons involved in terrorist acts, including the supply of weapons to terrorists. The main provisions are contained in the Criminal Code, the Law on Combating Terrorism and Government Decision on Determination on Goods Imported and Exported on the Basis of Licenses.

22. Please describe how your arms/arms broker licensing system, if any, can prevent Usama bin Laden, members of Al-Qaida organization and the Taliban and other individuals, groups, undertakings and entities associated with them from obtaining items under the established arms embargo.

See the answer provided in paragraph 20.

23. Do you have any safeguards that the weapons and ammunition produced within your country will not be diverted/used by Usama bin Laden, members of Al-Qaida organization and the Taliban and other individuals, groups, undertakings and entities associated?

There is no production of weapons or ammunition on the territory controlled by the constitutional authorities of the Republic of Moldova. Unfortunately, according to the intelligence sources, on the territory controlled by the separatists' anti-constitutional regime from the Trans-Dniestrian region of Moldova, precisely, on some of the industrial plants in towns of Tiraspol, Bender and Ribnitsa several types of modern armament and munitions are still produced and then sold to various conflict zones and "hot spots". Another particular problem represents also so named Unaccounted Equipment Limited by CFE (Conventional Forces in Europe) Treaty, with which the paramilitary forces of the trans-dniestrian secessionists' regime are equipped.

VI. Assistance and conclusion

24. Would your state be willing or able to provide assistance to other States to help them implement the measures contained in the above-mentioned resolutions?

Upon request and within the provisions of the national legislation and bilateral treaties concluded with specialized organizations of other countries.

25. Please identify areas, if any, of any incomplete implementation of the Taliban/Al-Qaida sanctions regime, and where you believe specific assistance or capacity building would improve your ability to implement the above sanctions regime.

For the improving of the ability to implement the penalties regime applied for terrorist groups Al-Qaida, Taliban, Moldova will accept any technical and financial assistance offered by the international organizations and UN member-states, especially for the staff preparing and training in the sphere of combating terrorism, providing with special equipment and technique, methodical assistance, organization of the efficient information exchange regarding persons, groups and terrorist organizations.

26. Please include any additional information you believe pertinent.

More detailed information on some questions could be found in 1st, 2nd and 3rd national reports of the Republic of Moldova submitted to the UN Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism.